



Superintendent Mike Redmond

Summary | ICS & ISD 720 Resolution

Even though everything appears in order, Building Systems Holdings/ICS Consulting and Shakopee Public Schools are continuing their efforts to make completely sure this is the case.

Arif Quraishi: President of Building Systems Holdings, Inc., the parent company of ICS Consulting

Mike Redmond (Superintendent), Dave Orlowsky (Temporary Assistant Superintendent), and Jeff Priess (Business Manager): Shakopee Public Schools

- Relationship between ICS and ISD 720 was ‘paused’ on Friday, November 16, 2018 to allow the two parties to communicate with one another and gather information to make sure everything involved in the current relationship is in order.
 - Illegal activity of Rod Thompson in connection with a former employee of ICS started in 2012
 - BSH purchased ICS in June 2017
 - At the time BSH acquired ICS, they were unaware of the activities of Rod Thompson and a, now, former ICS employee.
 - At the time BSH acquired ICS, this was the first time the company had any business relationship with Shakopee Public Schools.
 - Shortly after BSH acquired ICS, federal authorities contacted ICS inquiring about the activity of a former employee in connection to the illegal activity of Rod Thompson dating back to 2012. Arif Quraishi states that ICS fully cooperated with the federal investigation.
 - Moving forward, the leaders of BSH/ICS and Shakopee Public Schools are continuing their efforts to make sure everything is in order to include:
 - Stewardship/Oversight
 - Completion of Projects
 - Financial Relief

Stewardship/Oversight

There is every indication that contracts and billing/accounting processes are in good order for the current work being done by ICS on behalf of ISD 720.

- ICS and ISD 720 are voluntarily, and by mutual agreement, hiring an independent auditor to re-examine contracts and billing/accounting documents. ICS is committed to paying up to \$15,000 for this service.

Completion of Projects

There is every indication the on-site work of the ICS team has been of high quality. The employees have developed a deep knowledge of the pertinent aspects of the work being done in ISD 720, and are therefore best suited to bring this work to completion. Wold Architects and Engineers has been providing leadership on this project, which will continue. ICS has been providing services as the owner's representative on this project, and that will continue with some minor adaptations. The changes involve adding a bit more in the way of redundancy and check-offs to be conducted by Wold Architects and Engineers.

Financial Relief

There are a number of financial costs to the school district in dealing with this unique circumstance and working to make sure everything is in order. There are the costs of additional time to pull and examine contracts, invoices, and the like. There are also the costs for the time to communicate with the public and fulfill data requests. And there are additional administrative and support costs in terms of time spent on matters pertaining to this unique situation.

Arif Quraishi of ICS recognizes the costs incurred by the school district. He is also very committed to rebuilding trust between ICS and ISD 720, and in restoring the good name of the company he purchased in June 2017. As such, he has offered to provide financial relief to the district in two specific forms, in addition to the payment for the independent audit. ICS will stop billing the reimbursable expenses for their employees working on the high school project from this date through the end of the project. ICS will also not bill the district the fees remaining on the high school project. The fees total \$218,725. At the conclusion of the project, at the sole discretion of the school district, if the district is completely satisfied with the work of ICS, the district may pay ICS up to 50% of the fees not billed.